

Rep. Barry Sehlin

2002 Session Review

I'd like to hear from you

Please contact me with your questions and concerns regarding legislative matters. Also, if you are having problems in your dealings with state government agencies, I may be able to help you. It's an honor to serve you, as well as represent you in Olympia.

Rep. Barry Sehlin

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Rep. Sehlin

confers with

Republican

Leader Clyde

Ballard on the

floor of the

House.



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2002 Session Review

A report to the citizens of the 10<sup>th</sup> Legislative District

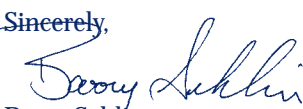
Dear friends,

The 2002 legislative session wrapped up on schedule after 60 days. And while I'm pleased that taxpayers will forego the added expense of a special session, the Legislature's failure to adequately address the challenges that face our families will cost taxpayers far more in the long run.

State budget writers used what amounts to Enron-style accounting to escape Olympia with a budget that actually spends \$1.4 billion more than revenues. By their own admission, the members of the majority party wrote a budget that will leave us \$1 billion in the red by the start of the next budget cycle. This is tantamount to admitting that we left town without doing our jobs, and left taxpayers stuck with an enormous debt.

There was incremental progress made on other issues, including funding for transportation improvements. This issue went unresolved last year after seven months of negotiations netted no agreement. The ongoing transportation debate will carry into the fall, as voters will have the final say on a transportation tax package in November. There is more information on this proposal in this newsletter.

My thanks to those of you who have taken the time to communicate with me to share your ideas and concerns about state government. It's been an honor serving you, and I look forward continuing our work together to improve the quality of life in our communities.

Sincerely,  
  
Barry Sehlin  
Your state representative



# Democrat state budget raises stakes – and debt – for taxpayers

To the surprise of few, the state operating budget adopted by Democrats in the Legislature last June turned out to be fiscally unsound. The budget spent \$700 million more than revenue coming in when it was adopted and, as the state’s economy continued its predicted slide, lawmakers were forced back to the drawing board to bring the budget back into balance.

This session, however, Democrat budget writers drafted a new plan that actually makes it worse – doubling the deficit spending to \$1.4 billion more than anticipated revenue.

The budget uses a variety of accounting tricks to cover this deficit, spending nearly all of the state’s reserves and relying on a scheme to sell off future tobacco settlement payments in exchange for one-time cash. The up-front money will be used to pay operating expenses over the next 14 months, but it will cost the taxpayers in lost revenue for the next 30 years.

This is credit-card spending at its worst. Like a family that has maxed out their credit cards to buy food, in the end, they’re out of money, they still have a family to feed, and now they have bills to pay from their mounting debt.

Families and businesses understand that you can’t continue to spend more money than you have coming in, or you will be in deep financial trouble very soon. And even with the state facing a decline in revenue, the budget actually increases spending by nearly 7 percent over the last biennium.

The results, once again, are predictable. Assuming we don’t go in the red this year, this budget will leave taxpayers with a \$1 billion shortfall at the start of the next biennium.

## Public safety compromised in state budget

Despite the gimmicks that were used, the state operating budget still fails to adequately fund the one item we all agreed would be a priority this year – public safety. There may be no higher priority to our citizens at this time and there is perhaps no more important function of government than maintaining the safety and security of our communities. Yet this budget drastically cuts funding for cities and counties used for public safety and emergency services, such as police and fire protection. Communities in the 10<sup>th</sup> District were hit especially hard, having their public safety funding eliminated.

I supported several amendments that would have preserved funding for critical public safety services, but these proposals were rejected by the majority party.

Two years ago, lawmakers made a bipartisan commitment to fund public safety services on an ongoing basis to ensure communities had the support they need. This budget breaks that promise.

### Broken Promises

Here is the impact of the 2002 budget on funding for public safety and emergency services for some of our local communities next year:

Public Safety Funding 2002 Operating Budget	Original funded amount	Revised funding level
Island County	\$503,205	\$0
Skagit County	\$944,914	\$0
Snohomish County	\$1,058,571	\$0
Coupeville	\$7,938	\$0
La Conner	\$3,931	\$0
Langley	\$5,461	\$0
Marysville	\$105,068	\$0
Oak Harbor	\$286,446	\$0
Stanwood	\$21,771	\$0



## Don’t take my word for it . . .

Here’s what are others saying about the Legislature’s plan to sell off a portion of the state’s settlement with tobacco companies – money once earmarked to pay for health care services and anti-smoking efforts – for a one-time cash payment to fund state spending increases.

“embarrassing to the state”  
– *Everett Herald editorial* (3/24/02)

“mortgaging the house to buy groceries”  
– *Skagit Valley Herald editorial* (3/19/02)

“too big a gamble for the state”  
– *News Tribune editorial* (3/6/02)

“not sustainable”  
– *Spokesman-Review editorial* (3/6/02)

“a disservice to our state’s taxpayers”  
– *Bremerton Sun editorial* (3/8/02)

“no real solution”  
– *Seattle Times editorial* (3/6/02)

“suspect budgeting”  
– *Yakima Herald-Republic editorial* (3/10/02)

“we’ll pay a high price for this gimmick”  
– *South County Journal editorial* (3/14/02)

“a bad deal for Washington taxpayers”  
– *Democrat Attorney General Christine Gregoire*

“terrible fiscal policy”  
– *Democrat State Treasurer Mike Murphy*

“They knew it was at least \$1 billion out of whack when they left.”  
– *Democrat State Auditor Brian Sonntag*

## Transportation tax increase brought to voters

After a two-year battle a \$7.8 billion transportation plan will finally go on the ballot in November. It includes the following revenues to support an extensive list of projects:

- A 9-cent gas tax increase phased in over two years (*4 cents in 2003 and 5 cents in 2004*)
- A 1 percent increase in the sales tax on new and used cars
- A 30 percent increase in weight fees for trucks

The law prohibits me from using this newsletter to advocate or oppose this upcoming ballot measure. If you have questions about the content of the proposal, please don’t hesitate to contact me.

## Efficiencies still lacking in transportation

While I was relieved that voters will get a chance to make this tax decision, I remain concerned that the state has not done enough yet to show taxpayers that we are making the best use of their money in transportation.

Several important efficiency reforms were introduced this session, including measures to streamline permitting, increase opportunities to contract out road construction work through competitive bidding, and reforms to wage laws that increase the cost of road construction, especially in rural areas. Although some progress was made, too much was left undone. I’m committed to continuing the fight for meaningful action on these important efficiency improvements. I’m confident they will continue to be key issues for the next Legislature.